

ASSEMBLY BILL

No. 1171

Introduced by Assembly Member Ammiano

February 27, 2009

An act to amend Section 7060 of the Government Code, relating to rental property.

LEGISLATIVE COUNSEL'S DIGEST

AB 1171, as introduced, Ammiano. Rental property: residential hotels.

Under the Ellis Act, public entities generally are prohibited from adopting any statute, ordinance, or regulation, or taking any administrative action, to compel the owner of residential real property to offer or to continue to offer accommodations in the property for rent or lease. The act defines accommodations subject to the act to mean either residential rental units in any detached physical structure containing 4 or more residential rental units or, with respect to a detached physical structure containing 3 or fewer residential rental units, the residential rental units in that structure and in any other structure located on the same parcel of land.

Existing law declares that it is the intent of the Legislature in enacting the Ellis Act to supersede any holding, or portion of the holding, of a specified case, to the extent that the holding, or portion of the holding, conflicts with this chapter, so as to permit landlords to go out of business.

This bill would define, for purposes of the act, the phrase “to go out of business” as to discontinue in the business or occupation of being a landlord.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 7060 of the Government Code is amended
2 to read:

3 7060. (a) No public entity, as defined in Section 811.2, shall,
4 by statute, ordinance, or regulation, or by administrative action
5 implementing any statute, ordinance or regulation, compel the
6 owner of any residential real property to offer, or to continue to
7 offer, accommodations in the property for rent or lease, except for
8 guestrooms or efficiency units within a residential hotel, as defined
9 in Section 50519 of the Health and Safety Code, if the residential
10 hotel meets all of the following conditions:

11 (1) The residential hotel is located in a city and county, or in a
12 city with a population of over 1,000,000.

13 (2) The residential hotel has a permit of occupancy issued prior
14 to January 1, 1990.

15 (3) The residential hotel did not send a notice of intent to
16 withdraw the accommodations from rent or lease pursuant to
17 subdivision (a) of Section 7060.4 that was delivered to the public
18 entity prior to January 1, 2004.

19 (b) For the purposes of this chapter, the following definitions
20 apply:

21 (1) “Accommodations” means either of the following:

22 (A) The residential rental units in any detached physical
23 structure containing four or more residential rental units.

24 (B) With respect to a detached physical structure containing
25 three or fewer residential rental units, the residential rental units
26 in that structure and in any other structure located on the same
27 parcel of land, including any detached physical structure specified
28 in subparagraph (A).

29 (2) “Disabled” means a person with a disability, as defined in
30 Section 12955.3 of the Government Code.

31 (3) “*To go out of business*” means *to discontinue in the business*
32 *or occupation of being a landlord.*

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